

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC TARIFF FILING OF B&S OIL &)	
GAS COMPANY FOR INITIAL RULES,)	CASE NO.
REGULATIONS AND RATES FOR FURNISHING)	2021-00484
GAS SERVICE PURSUANT TO KRS 278.485)	

RESPONSES OF B&S OIL & GAS COMPANY TO
COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION

DATA REQUESTS AND RESPONSES

1. Refer to Sheet No. 3 of the proposed tariff, Customer Service Charge.
 - a. Provide a list of activities included in "Callouts, Well Maintenance,

etc."

RESPONSE: The activities would include responding to freeze off calls, disconnections and reconnections, reading meters, pumping wells, and placing methanol in wells.

- b. Provide the basis for the 1,200 Mcf annual usage.

RESPONSE: It was estimated each customer average usage is 5 MCF per month x 20 customers= 100 MCF per month x 12 months = 1200 MCF estimated annual usage.

- c. State whether B&S is specifically proposing a monthly customer charge of \$15.05, or if B&S is proposing a customer charge in an amount corresponding to the fixed monthly customer-related charges that the Commission finds to be reasonable.

RESPONSE: B&S is proposing a customer charge of \$15.05 (minimum bill) and a gas charge of \$10.02 per MCF used.

2. Refer to Sheet No. 5 of the proposed tariff, Schedule 1-12 Month NYMEX Strip Prices. Provide the date of the NYMEX Strip Prices shown.

RESPONSE: The prices were pulled off a chart on the NYMEX website in December, 2021.

3. Refer to Sheet No. 6 of the proposed tariff, Schedule 2 – Administrative Personnel Cost. Provide the basis for the estimated hours per month.

RESPONSE: It was estimated with 2.5 hours per day x 20 days per month = 50 hours per month.

4. Refer to Sheet No. 7 of the proposed tariff, Schedule 3 – Postage and Office Supplies.

a. Indicate whether the number of customers on the Customer Office Supplies line should be 20 instead of 29.

RESPONSE: Yes, the number should be 20 instead of 29, this is a typing error. B&S is sorry for any inconvenience this error has caused. The error has been corrected on Sheet No. 7 (PLEASE SEE EXHIBIT 1).

b. Explain why 60 Mcf per month is used as the average usage, while 1,200 Mcf annual usage (which would indicate 100 Mcf per month average usage) is used elsewhere in the rate calculations. Provide any corrections necessary based on the correct usage.

RESPONSE: This is a calculation error, and it should be 100 MCF per month. The error has been corrected on Sheet No. 7 and Sheet 4 (PLEASE SEE EXHIBITS 1 AND 2). B&S is sorry for any inconvenience this error has caused.

c. Provide the basis for the number of projected farm tap customers.

RESPONSE: This is an estimate of people who may want a farm tap for gas as opposed to electric heat sources.

d. Provide the basis for the estimated per customer cost of office supplies.

RESPONSE: This amount includes the price of paper, toner, envelopes, calculator

supplies, and printer service as needed.

5. Refer to Sheet No. 8 of the proposed tariff, Other Charges and Customer Deposits.

a. Using the Commission Cost Justification Sheets, provide detailed cost support for the following:

(1) Disconnect Fee of \$20;

RESPONSE: Please see Exhibit 3.

(2) Returned Check Charge of \$30;

RESPONSE: Please see Exhibit 4 and Exhibit 4, page 2

(3) Service Trip Charge of \$25;

RESPONSE: Please see Exhibit 5.

(4) Late Payment Charge of 10 percent; and

RESPONSE: Please see Exhibit 6.

(5) Reread Meter Charge of \$20.

RESPONSE: Please see Exhibit 7.

b. Explain whether the Reread Meter Charge will be assessed if the original meter reading was incorrect.

RESPONSE: The Reread Meter Charge will only apply if the meter was read correctly.

6. Refer to Sheet No. 9 of the proposed tariff, C. Refusal of Service section, which states, "Company reserves the right to refuse or to defer full service to an applicant where the existing mains are inadequate to serve the applicants requirements without adversely affecting the service to the customers already connected and being served." State the legal basis for B&S to refuse service to a customer located within one-half air mile of its lines.

RESPONSE: Please replace Sheet No 9 C. Refusal of Service Section with Corrected Sheet No. 9 C. Condition of Service Section. See also Exhibit 8.

7. Refer to Sheet No. 10 of the proposed tariff, E. Monthly Bills, which states, "If billing errors occur, the Company shall refund to Customer the amount of any overcharge and shall have the right to collect the amount of any undercharge due to billing errors." Indicate how far back B&S will go to calculate refunds or overcharges in cases of billing errors.

RESPONSE: B&S feels billing errors should be caught within a reasonable amount of time and will go back up to 6 months to correct the error.

8. Explain whether the gas in B&S's system is odorized. If so, state the method of odorization.

RESPONSE: B&S gas is naturally odorized.

9. State whether the projected farm tap customers currently have gas service. If so, state the provider of the existing gas service.

RESPONSE: Yes. The providers that B&S are aware of in the area are Columbia Gas, Peoples, Navitas KY NG, Interstate Natural Gas and Kinzer Gas.

10. State whether B&S currently serves any farm tap customer. If so, provide the length of time the customer(s) have been served, and explain what rate the existing farm tap customer(s) pay, or if they are free gas customers.

RESPONSE: B&S does not currently serve any farm tap customers.

11. Provide a system map or maps that show B&S's natural gas system, including the location, size, category, and material of lines and the location of producing wells and the locations of current or prospective farm tap customers.

RESPONSE: Please see Exhibits 9-16.

12. Confirm that all current or prospective customers are within one-half air mile of B&S's gathering lines.

RESPONSE: Yes, they are.

13. State the proximity of current or prospective customers to the distribution lines of Navitas KY NG, LLC in Floyd County.

RESPONSE: Approximately 5 feet to ½ air mile.

14. State the market or customer to which the product of B&S's gas wells is ultimately sold.

RESPONSE: Currently none. Ultimately, to Diversified Oil & Gas.

15. Provide the total annual gas production of B&S's gas wells for the past three years.

RESPONSE: 2019 -15,513 MCF
2020- 12,850 MCF
2021- 8,434 MCF

16. Explain whether B&S's gathering lines have available capacity to serve additional customers.

RESPONSE: B&S's gas wells have available capacity which could provide service to more than 20 customers. However, B&S wants to make sure of its supply before taking on a bigger demand than it can supply. Businesses in B&S's area consume substantial amounts of gas during winter months and B&S does not want to have a greater demand than supply.

17. Explain whether B&S would purchase any gas to supply the farm tap system.

RESPONSE: No, B&S would supply the farm tap system from its own wells only.

18. Explain whether B&S's customers have been notified of the proposed rates.

If so, provide the notice. If not, explain how customers will be notified.

RESPONSE: B&S does not currently have any customers or farm taps. It plans to notify the prospective customers by mail once the system is completed.

19. State whether B&S has any operator qualifications or operations and maintenance plans or performs leakage or patrolling surveys. If so, provide the details.

RESPONSE: B&S currently consists of gas wells only and has no operator qualification or operations and maintenance plans. However, B&S has an owner with operator qualifications.

20. Provide a general description of B&S's gas system, including the date(s) of construction.

RESPONSE: B&S system will consist of 2" PE pipe and construction is estimated to start in the spring of 2022.

/s/ Joe F. Childers
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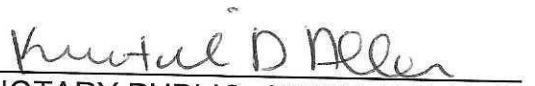
VERIFICATION

I, Bud Rife, to hereby state that the foregoing responses to the Commission's First Request for Information are true and accurate to the best of my knowledge and belief.


BUD RIFE, PRESIDENT
B&S Oil and Gas Company

Subscribed, sworn to, and acknowledged before me by Bud Rife, as President of B&S Oil and Gas Company, to be his true act and deed.

My commission expires: 11/23/25


NOTARY PUBLIC, STATE AT LARGE
NOTARY ID NO.: 39049

CERTIFICATE OF SERVICE

This is to certify that the foregoing copy of this document in this action is being electronically transmitted to the Commission on February 24, 2022; and that there are currently no parties that the Commission has excused from participation by electronic means in this proceeding.

/s/ Joe F. Childers
JOE F. CHILDERS